

MINUTES FROM COUNCIL MEETING
CITY OF NORTH CANTON
MONDAY, NOVEMBER 3, 2014

1. Call to Order

COUNCIL PRESIDENT PETERS: I'd like to call to order the Council Meeting Monday, November 3, 2014.

2. Opening Prayer – Pastor Gary Plauger, Hope Family Church.

COUNCIL PRESIDENT PETERS: Pastor Gary Plauger, Hope Family Church. Welcome.

3. Pledge of Allegiance

4. Roll Call

COUNCIL PRESIDENT PETERS: Clerk, will you please call the roll?

Roll call found the following council members in attendance: Cerreta, Foltz, Fonte, Griffith, Kiesling, Peters and Werren. Thus having 7 in attendance.

COUNCIL PRESIDENT PETERS: Thank you.

5. Consideration

COUNCIL PRESIDENT PETERS: May I have a motion and a second to approve as presented:

Committee of the Whole Meeting Minutes – October 6, 2014, October 13, 2014, October 20, 2014 & October 22, 2014

Council Meeting Minutes – October 13, 2014 & October 22, 2014

COUNCILMAN FOLTZ: Motion to approve as presented.

COUNCILWOMAN KIESLING: Second.

Roll call vote of 7 yes to approve the minutes listed above.

COUNCIL PRESIDENT PETERS: Thank you very much. At this time we'd like to welcome Ms. Laura Brown from Local Government Services Section of the Auditor of State. She's going to be presenting the financial forecast for the City of North Canton for years ending December 31, 2014 through December 31, 2018.

6. **LAURA BROWN:** Good evening, everybody. Like he said my name is Laura Brown and this is my colleague Steve Moomaw he's going to be helping me tonight. We are with the Auditor of State's office with the kind of consulting arm of the office. We do a lot of different things; we work with governments who are in fiscal distress, we work with all kinds of people doing financial statements and we do quite a few financial forecasts. And the finance director reached out to us several months ago and asked us if we would be willing to come in and take a look at a forecast that she had prepared in the spring for the city. And typically that is our process we come into a city or school or county we take a look at the numbers that they've prepared. We do our own calculations and we try to verify what they have done. We work hand in hand with not only the finance director but the city administrator and any other you know city workers and officials that we come across during our work. We were here on site off and on for several weeks doing that work. You have a draft report in front of you, have two things actually; one report with the auditor's seal several pages and then you also have a one page that just looks like a ton of numbers. So if you can have that kind of in front of you we're going to go through both things. Now the reason that both of these documents currently say draft is because the final step of doing a forecast is presenting it to the governing body. And at the end of my presentation there should be a letter going around I asked Karen to pass it around that I'll ask all of you to sign. It's a representation letter basically it just says that we came, we presented information to you and that you didn't know of anything else that we should be informed of for our forecast. Because if we came here tonight and one of you said well about the you know ordinance we just voted on last week where we're going to spend a million more dollars next year, you know we'd want to know that. So this is your chance to kind of interact with us. If you go to page 3 of the report with me please this is the independent accountant's report and really the important thing on this page is that date down at the bottom October 27th that's the last date that we worked on this forecast. Any forecast is only as good as the day you do it because things are constantly changing. So when we came in and we took a look at the finance director's forecast she had one that much earlier in the year things looked very different when we're here in August and September. So just keep that in mind that this is a good planning tool but it is you know obviously subject to change as situations change. The first several pages you'll see after that starts on 6 and goes all the way through 17 is the forecast itself. It has a lot of detail it's broken out by each department of the city and then it breaks it down into salaries, benefits, contracts and then materials and supplies. We're not going to use this detailed version for discussion purposes tonight because I think it's a lot easier for you guys to look at this one page summary. But the numbers are the same in total. If you can go on over to page 18 with me that starts what we call the assumptions every forecast is just a bunch of numbers unless it has underline assumptions. And that's kind of the rules of the road the things that the city assumed and that we backed up as we did our work. The first several pages are just some background

information on the city and on the accounting basis that we used to do the forecast. And then if you head over to page 20 we really get into the meat of it. Page 20 starts our revenues and as you can see on your one page summary that is the top you start with revenues we have three years of history '11, '12 and '13 and then we did five forecasted years including the current year. Overall, revenues are much less than they've been in the historical period and we'll get into why as we go through each line item. Property taxes are our first revenue as you can see at the top of page 21 that is dependent on both the assess value of property in the city and the rate that's charged. Assessed values have diminished over the past several years the county did a reappraisal values are lower than they once were we all know the real estate market is not what it once was in our area and in most of the country. So that means the property taxes have fallen off somewhat for the remainder of the forecast period though we think that property taxes should pretty much hold steady. We don't see any really big increases or decreases. Next line item is income tax that is the city's largest source of revenue so of course we took a very close look at that when we were here. We do see an overall upward trend in the income tax of the city just based on increase employment fuller more full employment so people that maybe were making less now are making a little more there's more jobs out there some folks that were kind of underemployed are more fully employed than they once were. So that is increasing over time you will see though if you look at your summary the number ticks up from 13 to 14 but then goes back down the reason for that is although there's an overall better economy out there, there is some pending legislation at the state level and if that legislation is to pass and it looks pretty likely that it will that would impact how the city collects revenue locally. So there's quite a few different rules that they're trying to standardize among all cities and because North Canton doesn't follow those exact rules right now it would hamper some of your revenue collection. That would be kind of a one-time hit in 2015 that brings it us down somewhat but then you start from there you start going back up in '16, '17 and '18 as economic conditions continue to improve. Our next line item is intergovernmental revenue that's made up a few different things its primarily homestead rollback which is property tax driven those reimbursements from the state also your local government revenue. And again I know many of you have heard I'm sure your finance director has told you and you've seen in the news that that was cut by the state in half several years ago that has kind of leveled out now. And then the final one is estate tax or inheritance tax some people call it and that's something the city used to receive you received a significant amount of that in 2014. You can see that at the top of page 23 as well. But we don't anticipate that being around any longer because the state cut that off at the end of '12. All those estates are kind of in the pipeline once that money's gone it's gone. So that's one of the big reasons that your total revenue in the forecast period the future is much less overall than you've seen in the past. The rest of our revenues include charges for services which is your pool collections, your park shelter rentals, your civic center rental things like that. We forecast that based on you know looking at each season the pool's a little different depending on the weather. So we kind of took a look at that this season was a little lower than it's been. But that should rebound we hope the weather is a little better next year. Fees, licenses and permits is the next line that includes mayor's court fees, building permits, housing permits those types of things. And then you just have your interest income and other and others fairly consistent but this year it is a little bit higher because of a one-time refund from Bureau of Workers Compensation that you may have seen in the papers as well. So overall if you take a look at total revenue like I said it is increasing over the life of the forecast for this for next year we're about \$6.6 million total by 2018 you're at just over \$7 million however that's much lower than where you started in 2011 at \$8.4 million. Just because of the loss of local government, loss of estate tax and loss of property tax.

MAYOR HELD: Excuse me Laura, just one clarification with the intergovernmental funds the third one in 2015 the majority of that is local government funds correct?

LAURA BROWN: Local government and homestead and roll back.

MAYOR HELD: Okay and then the municipal income tax that is less the amount that was taken out for capital?

LAURA BROWN: Correct. This is just the general fund portion and good question and thank you that reminds me this is just a general fund forecast so all those other funds are not included.

MAYOR HELD: So normally when we're looking at our income tax as Karen projects it to be like \$6.8 million but you have down here like for 2015 \$4.4 million. (Right) That's because we're taking the required percentage out (Correct) of what we collect and that goes into the capital improvement.

FINANCE DIRECTOR ALGER: Portion goes to capital and portion goes to general fund...

MAYOR HELD: Right, so this, this portion here the \$4.4 in 2015 is the portion that's coming from the income tax that's going into the general fund.

FINANCE DIRECTOR ALGER: Correct.

LAURA BROWN: Right, for your general expenses and it's about a 70/30 split year every year.

MAYOR HELD: Okay.

LAURA BROWN: Okay, any other questions on revenues before we move onto the expenditure side of things?

MAYOR HELD: But one other thing the license fees and permits how did you come up with your projection on that? As far as...

LAURA BROWN: We looked at trends and then we also you can see for this year it's a good bit higher but there is a little more activity going on in the city as far as permits and there's been a little more enforcement of some of those permits. But we think that will level back out in the future years.

MAYOR HELD: Okay.

LAURA BROWN: Okay, I'll ask Steve to come up and give you some information on salaries.

STEVE MOOMAW: I had the pleasure of forecasting the salaries and benefits section of the forecast which starts on page 23. When we came in August and September we already had a pretty base for 2014 and what those numbers were going to be. So we pretty much just had to verify the rates for the employees and then also the staffing levels. Once we had a good well we had to isolate just the general fund employees as well having a good base in '14 we had to look to forward to '15 through '18. After speaking with Karen and Mike we decided that a good estimate for increases for bargaining and non-bargaining unit employees would be 1%. Based on how negotiations go for the new contracts how those go it could be higher we're not exactly sure what the increase will be. But for non-bargaining employees we assume 1% I think there's been a period of years of non-bargaining employees getting any increases and the thought was in order to attract and maintain quality employees that we'd need to see an increase there. We also needed to try to target employees that might be leaving in subsequent years with the years of experience and then talking to Mike and Karen they kind of gave us an idea of who they've heard through the grapevine might be leaving and then we looked at what the cost would be to replace those individuals. So we looked at everything from regular salaries, longevity pay, overtime and sick leave conversion and any stipends that employees would get. Overall, every year supposed to increase for the salary portion then if you look at benefits starting on page 24 since most benefits are directly correlated with salaries such as your pension, your Medicare, your workers comp you're going to see increases for those. All benefits even as small as uniform allowances were factored into the forecast. Only the benefit that doesn't directly correlate to salaries would be your health insurance and we looked at historical rates for those as well and we've seen a 1% increase and also your life insurance. If you factor in all the salary and benefit lines you'll notice that there will be spikes in 2015 and 2016 of \$289,000 and \$126,000 respectively. The reason '15 increases so much would be to the hiring of the nuisance officer and the chief building officer in the permits department as well as an administrative assistant. I think also factored in that is an administrative assistant in the finance department. The spike in '16 relates to additional patrolman that is expected to be hired in that year as well. After that it kind of tapers off to \$36,000 and the \$33,000 increase in '17 and '18. And I'll turn it back over to Laura who will be talking about the contractual services.

LAURA BROWN: Thanks Steve. Okay, for the rest of our expenditures I mean salaries and benefits are the lion share of the spending of your city and any city and any government. But there are some other expenditures and we did forecast those as well. Those start at the bottom of page 24 there's contractual services and materials and supplies and basically for those line items we went through we looked at history on what's been spent past several years. We looked at your budget for the current year and we took note of any trends; materials and supplies was trending upwards year after year as the cost of things does increase. But your contracts were contractual services which includes things like utilities that's a big part of that that was holding fairly steady. So that is good for the city. Another area of spending is debt service that's at the top of 25 there is one debt obligation that is repaid from the general fund and that was a bond that was issued for real estate acquisition a number of years ago. So those payments have been forecasted in principle and interest each year. Also on page 25 you'll see note 6 transfers like I said this is a general fund forecast but in your city your general fund does support several other funds through transfers. So that's what this is about. A couple of the funds fire and your street construction fund those funds have employees and so as employee costs are forecast to increase from the work that Steve did I could increase it forecast an increase in those transfers to go along with that. That they would need more general fund support? Now with your EMS fund we did not do that because it was assumed that although employee cost would increase the city does have the ability to increase the rate that's charged on EMS runs. So you could offset those costs that way. And there's a few other funds there that get transfers one is your compensated absences fund and that's based on anticipated retirements of employees based on years of service and we also anticipate that you want to build up a reserve in that fund for any future retirements because that's what that fund is to be used for. We have one transfer next year anticipated for the storm sewer fund and that's due to a need to catch up on catch basins that's kind of hard to say. I guess over the number of years the city's gotten a little behind on replacing catch basins so they're going to do a little more of that work next year. And that was based on an estimate from the engineer and then this year there's a transfer anticipated to the capital improvement fund and that goes hand in hand with that estate tax that we talked about. The city has an ordinance from years ago that says when you get estate tax in a portion of it has to go to capital. So that's built in there but of course with that estate tax being eliminated transfer is eliminated as well. And on the last page of that report you'll see we talk about other funds again this is a general fund forecast but in government if any other fund has a problem the general fund is the one on the hook. So we do take a look overall look at the other funds of the city. One fund that we do mention there because that's been kind of a hot issue at other cities and entities is your self- insurance fund its where the money's put to pay for the health insurance for employees but this city does not need to worry about there's a very healthy balance in that fund quite a reserve built up in there. So we wouldn't need to seek additional general funds dollars to pay for healthcare as we've seen in some other places. Going back to that kind of one page summary you'll see that overall expenditures are increasing throughout the life of the forecast. Much of that's driven by salaries and benefits like Steve said it's all up to negotiations and to management decisions as far as what employees will receive as raises. But we've assumed 1% per year out through the life of the forecast just to be conservative. Obviously as things change the numbers would change as well. If you take a look at that line that we've highlighted in green for you this to me is really the key of the whole thing. It's called change in fund balance and what that tells you if it's a positive number that means the city brought in more if it's a negative number in brackets that means you spent more than you brought in. 2014 is forecast to be a positive over \$600,000 but that's due to that estate tax and that's the last year you'll see that. And you can see each year going out through 2018 that is a negative number now that negative is getting smaller so revenues are almost keeping up with expenditures which is great news. Because many cities do not have that however that is unsustainable to do that forever. Because you can see we forecast the bottom line for the end of this year to be about \$2.4 as you eat that balance down over the five years you get down to about \$1.3 million in that final year bottom line. Again, it's not a huge problem at this time because you have time as city council and city administration to make decisions to bring the revenues and the expenditures in line. And when we go out to cities that are having financial trouble we always tell them it's not rocket science

you either increase revenue, you decrease expenses or you do a little bit of both and that brings it in line. So I hope that this forecast will give you that information that kind of long term look so that you can start to make those choices and decisions that will impact the next five years. One other thing we will do since we get back to the office tomorrow we will send this down to Columbus the city will receive printed copies in the mail within a few days and it'll also go out on the Auditor of State's website. So the public will be able to go and search for this and take a look at it this full report to be out there in its final form. And the last thing that we'll do again when we're back in the office is all the spreadsheets and documentation that we use to put this together we will send back to the finance director so that she's able to take those materials continue to update it and that way if you guys you know need a refreshed look a year from now or two years from now as you make decisions you'll be able to have that. Are there any other questions from anybody? Yes, sir?

COUNCILMAN FONTE: The charges and services which is pool and the revenue from all the shelters it looks like that has dropped off quite a bit hasn't it from 2011 to 2014?

LAURA BROWN: It has and...

COUNCILMAN FONTE: But I wonder why that is; I'm just curious.

LAURA BROWN: '13 and '14 it looked like a lot of it was pool...

COUNCILMAN FONTE: Was it because we had to fix the heater or something?

FINANCE DIRECTOR ALGER: We had two bad summers...

COUNCILMAN FOLTZ: It was just a bad summer it wasn't a hot summer. It was a rainy, cold summer.

COUNCILMAN FONTE: Oh.

LAURA BROWN: And not only the pool admissions but also concessions so that goes hand in hand.

COUNCILMAN FONTE: Go hand in hand?

LAURA BROWN: Yeah and I would think park rentals and shelter rentals as well if it's a rainy summer not as many people are going to be outside. Question?

COUNCILMAN CERRETA: When you look at income tax do you have any data or percentage of how many people in the city pay income to the city and those who just don't pay that work somewhere else that pay outside the city? Do you have any data on that?

LAURA BROWN: I do not we typically don't look at it that way because we look at total dollars to me you know for my purposes it doesn't matter which way it comes. But that is something a lot of cities consider as far as the credit that they give to folks that work outside the city and live within.

COUNCILMAN GRIFFITH: I just want to say to both Laura and Steve a special thank you, they did a fantastic job. Steve had some spreadsheets on his computer that would have broken the German codes of WWII. They were very complex and hopefully I'm sure we're continue to use them and they were extremely patient for a 2.5 hour meeting I think we had where we asked a lot of questions about the assumptions and I think they did a fantastic job there too. So I did want to point out one thing and that, that Laura you mentioned before too on page 25 in the middle one of the things that they did a great job of forecasting more the transfers out so we take pieces of our fund we take them out of the general fund and we put them towards other allocations of resources. One of those that we didn't project anything we projected a 0% for transfers at where the capital improvement funds dollars in 2015 through 2018. We assumed that we would be taking no dollars from the general fund and using and putting them towards capital expenses. Which I think probably isn't true we probably definitely need to do that at some point if we're going to pave the roads or do a new pool liner or any of the other stuff we're going to do longer term we're going to have expenses there. And as you pointed out mayor appropriately the number the amount of our income tax that comes into that pool pun intended here but the grouping that comes in here for capital expenses is going down. So we're going to almost end up having to transfer more for capital expenditures because there's going to be less there to start with. If that makes sense to you too. But I think that's essential to consider as well but the negative numbers that you mentioned could be even worse if we spend any dollars from the general fund for capital which I think we're all going to want to do. And we'll need to do. So those are all I just wanted to make sure we talk about that too. You mentioned that as well.

LAURA BROWN: And in our meeting we did discuss kind of that long term planning that a lot of cities just don't have time or people or expertise to do. But this can be a starting block to it and capital is a big piece as well just say you know over the next five years or ten years we know we have these items that will have to be replaced how much money do we need and then back into where you start today to save those dollars. So that is important. One other thing that we discussed that I would add for you kind of goes right in with the capital as well as the compensated absences and the self-insurance health insurance fund is we talked in our meeting about fund balance reserves and cities having policies for that. So that's something the city may want to look into. Quite a few cities are starting to do that I know you hear in the news about the state having a rainy day fund but cities can have rainy day funds as well. And it's hard when your revenues have decreased so much over the past several years to think about putting money aside but just like at home it's always good to have that savings account and have a policy to do some. Anything else?

FINANCE DIRECTOR ALGER: No, I just want to thank you both for everything that you've done you know the materials, your professionalism, the challenge. So I appreciate all that and in the future we'll continue to call you probably for assistance.

LAURA BROWN: Sure, sure and the finance director has our contact information if you guys read through this later and you come up with a burning question or I live in town so if you see me at the grocery store or something just waive me down I love talking about forecasts. I'm weird that way I guess. And then the only other thing I have for you if you have that representation letter signed I would be so happy to take it.

MAYOR HELD: Laura just one other point of clarification first off thank you Steve and Laura both for the time you put into this I think it was an excellent report. But I think what is also very interesting to note is that Karen did our own projection independent of yours and they were both really you know with some slight variations you know both came up with really the same conclusion. Which is a good thing so nice job Karen. And the other also Dan thank you for taking the time to go through the meeting that we had it wasn't 2.5 hours it was 3 hours Dan. At least, but it was helpful. But you know a lot of that is because you know just trying to clarify these numbers and then also looking at the comparisons between the numbers that Karen came up and the numbers that Steve and Laura that you both came up. But one of the interesting points here that I think you know stood out in my mind the most after we went through all of the numbers and the line items is if you look at the section that Laura had highlighted in green and you know we're saying that we're, we're in good shape your saying that's in comparative to other municipalities, correct? (Yes) But there's two parts to this one, you were talking about setting a policy recommending that the city set a policy for like a minimum amount in the line just below the green. So when it says fund balance beginning of the year let's take a look at 2015 we have approximately \$2.4 million there, correct? Now the reason that goes down to \$1.99 million is because the green number just above that the \$463,000. (Correct) Which what you're saying is that all things being equal if the city continues with same operation that it has considering the cost of wages and the cost of you know other expenditures to run a city that we are going to be running at a deficit in 2015 of \$463,000. (That's correct) So what we're doing is we're using our savings in this fund for 2015 to pay the difference of \$463,000 and then in 2016 its \$289,000 that we would be dipping in. Then in 2017, \$219,000 so that's the difference as to why the fund balance is going down. And what Laura was mentioning and Dan and I had a pretty lengthy discussion on this is that the city needs to determine the minimum fund to balance that we believe that we need to have in order to cover for other unexpected events you know how much is it that we should have in our savings and right now Laura you had mentioned I thought it was based on our total general fund the percentage where we're at right now in 2015 is stable. Right?

LAURA BROWN: Right, right and every city has to come up with their own policy. There's a lot of recommendations out there from some accounting groups national and state groups but a lot of time people will look at how many months of expenditures should we have. So if no money came in the door today could we stay pay our bills for 2 months, 3 months you know and that's a decision that you as a city have to make. Or some people base it on you know on a number of other factors but once you decide that number then that's your target and then you set your appropriations each year to keep you at that target.

MAYOR HELD: Right, okay, sounds good. That's all I had.

LAURA BROWN: Thank you.

COUNCIL PRESIDENT PETERS: Thanks Laura, thanks Steve, appreciate it.

7. Recognition of Visitors

COUNCIL PRESIDENT PETERS: Okay, at this time if you wish to address council please step forward state your name and address.

CHUCK OSBORNE: 307 Fairview Street SE, North Canton, Ohio. I don't think it's any secret that North Canton's road networks and traffic patterns are not working. I'm speaking in regards to the discussion earlier at the CIC meeting regarding the proposed sale of the former engineering building. I think in the last year or so I think it was Mr. Foltz who brought up the need for improvement of traffic flow around Ream and West Maple here. If the city is truly serious about trying to improve the traffic flow in this area and through the square which I think we would all agree it's not a picnic going through the square. If you're looking ahead and thinking of these problems obviously West Maple needs to be widened. To do that you're going to have to take Terry Horner's building over there; you're going to have to take Tom Hampton's building over there and you're going to have to take the former engineering building. If I was looking at that building and looking at traffic patterns and parking situations there's no way in hell I would buy that engineering building. As far as I'm concerned the CIC was given a pig in a poke. Because I don't think you're going to see that building. About the best you can do is maybe lease it until such time as the city is serious about improving traffic flow in this area. Because if you sell it stop and think about it the CIC gets an influx of money and then when the city does decide to widen it whoever you sold that engineering building to you've already paid for it once you're going to end up paying for it again. A second time. Because you're going to have to condemn it take it by eminent domain whatever so I wouldn't be counting my chickens before they hatch. That building is worth zip if you think about it and have a long term vision of how we're going to improve traffic in this city. You're creating a monster over here and they're going to have the same problem traffic flows and the lack of parking no matter where you try to cram it this is not going to be successful. You're not going to be successful in selling that building and if you are you're going to end up having to buy it back a second time. I think the gentleman mentioned and I think in my former research you paid a \$185,000 for it well it somebody buys it for that or the \$225,000 the guy threw out there that you're advertising it for when you do get serious and realize that oh my goodness movement through this square down West Maple we have to do something. You're going to end up having to buy the building back and the taxpayers will have purchased it twice. So I wouldn't be counting my chickens over there you just as well lease it out get whatever monthly revenue you can out of it and you've already got an ace in the hole you already own that property. And then pick up Hampton's building you're going to have same thing there. You'll have to tear

that building down and Mr. Horner's got his up for sale over there it's a little over priced but you'll have to buy his. This square does not work. I think Mrs. Kiesling said here she's avoided East Maple for decades. She said it on the record in the minutes. Since I live over here I never go through the square I jump on up at Clearmount. If I'm going over here to the strip I go down Harmon. I obey the speed limit and I stop at the stop signs unlike what they're doing in my neighborhood now hundreds of cars an hour flying. So if you're serious Mr. Foltz about trying to improve traffic through this immediate area and you're going to have to make it tolerable for this monster you're creating over here. You're going to need to acquire those properties. So I would not be selling it because you're going to be buying it back a second time. So don't count your money before you get it. Thank you.

COUNCIL PRESIDENT PETERS: Is there anyone else wishing to address council?

DAN LEAHY: At 1264 Lorrell Avenue SW in North Canton. The reason I'm here is probably in '11 or '12 I was in here a few times due to some backyard water issues. Worked with Jon Snyder at the time and then my neighbor had some issues in the front of our property right on the border of my property and then into theirs the McCabe's. So long story short last year was a two tier process last year there was some work done up on Salway, on Watkins to knock it out. It didn't knock it out but you know what it helped and there's a lot of other issues going on. So to be very honest I was I'm living with it I'm more than happy with it. Then the front issue was addressed this year there was three or four culverts put in by a third party contractor and long story short the first culvert is on my property it's a little washed out before the culvert I've made two phone calls to started with streets got bounced engineering went back to streets talked to Ed Nienan briefly he told me to call engineering again I finally got in touch with Dominic got back with me right away I just want somebody to come out and take a look at it. Because the issue will erode out that first culvert the waters not rushing enough to knock it over but it's going to erode it out. I can knock it out Dominic and I talked about that I can knock it out myself but then it becomes my resolution, my issue whatever you know. And actually I think we have a pretty good plan to do that but I just said I'm not doing it. So I just need a phone call back and if the resolution is Dan we can't do anything about this I'm fine with that. It won't be a line item in the budget I can tell you that much right now because it's not a big issue but I just want the phone call back from the streets or engineering. Good?

MAYOR HELD: Yes, absolutely we can do that I appreciate you coming up and letting us know. (Yeah) And also being sensitive to the fact that you don't want to go and correct something...

DAN LEAHY: Yeah, yeah, I mean...

MAYOR HELD: Because that's not...

DAN LEAHY: We're in leaf season so we've got over priorities right now. So...

MAYOR HELD: But what I'm hearing you say Dan is that you're, you're noticing that it's not a real big problem right now. But the way that it's progressing if it's not addressed that it's likely to become a bigger problem...

DAN LEAHY: And actually the issue originally was erosion and these culverts are kind of stepped along catch one, catch in sync and so if the first one is jamming up we all know what's going to happen over time. So that's it.

MAYOR HELD: Right, we will have somebody come out and take a look at it.

DAN LEAHY: Okay, thanks, appreciate it.

COUNCIL PRESIDENT PETERS: Anyone else wishing to address council? Sam? Come on up Sam.

SAM BRENTON: 1681 Westfield SW. We haven't had a councilman since 1982 is the last time we had a councilman. My councilman is sitting right there and I want something I'd call him. If I see something wrong like the last time I called Mike's office that rim buster on Salway back of the golf course that's a real rim buster and I called your office. I call Lou Giavisis when I see something going to Hartville, but I asked and I asked and I asked don't let that guy bust to crush on my yard. There's no 5 foot there when that mayor put that sewer plant up there he went half way in my yard with it so there's no 5 foot strip. So he finally got a ditch there's a ditch there I went over to where they built that Reilly's and the QVC they had a mountain of dirt. I shoveled three truckloads on my truck took it down there and the water washes it away. Because the guy across put a new driveway in and it's higher than the street so the ramp shoots it right over to that. So Snyder said that he would get a machine there is a machine and build that curb around there to keep that. Now between that broom and the snowplowing when I ride my John Deer there's no runoff so when that thing wants to rollover and I put my foot down to stop it where's my foot? Under that deck? So I don't know. But I don't want to get killed and I don't want to lose a foot. So that's what I say where's my protection? But Snyder said down there where that ditch is he'll build a curb. And that's been for 2 years. Now that curve if you go down there Doug, I asked Doug a little help on it did that all myself because the brush was level with the school bus windows. If a kid had a school bus window open and that brush (inaudible) what happens? So I did that on my own I hauled it away on my own. But I need something too. So I want that curb. And I want you to promise now that I will get it. Jon Snyder said I was. But like I said I never seen Snyder down there the whole time he was there because he's working all day he never comes down. I called that guy and he will tell you the last time a snowplow he did a job didn't he? I mean when he come down to the no parking sign and goes around it and comes back again he's doing a good job he's landscaping. So but anyhow like I say I might live long enough to see that curb I don't know.

MAYOR HELD: What we can do Sam if you don't mind me just addressing your concern is that what we've done in the past when you have water that's you know running down the streets and washing out the yard or you know negatively impacting

the residents property like we have here with Sam's. I said the city has in the past had those curb makers I guess for lack of a better term is you know creates the curbing out of asphalt and then you put that up. And I know we put one up along Wilkshire and I believe that's still in place.

SAM BRENTON: But I'm saying though I can't drive my John Deer down there unless I want it up upset but my whole yard on that side cause the snowplowing and that broom took the runoff. There's no runoff it's a drop. So...

MAYOR HELD: What we'll do is Jim Benekos our city engineer he just told me that he would come out and take a look at it. And then what we'll do is see if the curb you know having like an asphalt curb if that's the way to go. Then we can look at you know when we might be able to bring that in, create one or if there's another option we can address the problem.

SAM BRENTON: Well like I said you know this little girl here can tell you I'll 90 years old ain't I? I'm 90 years old I do all that damn work down there the city should have done it and I did a good job. I didn't do it the first time so I went back and I did it again.

MAYOR HELD: You did that yourself right Sam?

SAM BRENTON: I did it myself. When I get up in the morning and put my work clothes on I go to work and when I'm done there's showing of it. So anyhow I hope to live long to see that curb and I don't want to get my foot cut off.

COUNCILMAN FOLTZ: Sam, could you give your address again so they know to write it down.

SAM BRENTON: 1681 Westfield SW, North Canton.

COUNCILMAN FOLTZ: Thank you, Sam. And please stay after the meeting and have Dominic Fonte talk to you so he's the new councilman. Hopefully we can work together and solve your problems.

SAM BRENTON: I've got a sheet for him for that all that leaf and snow in the middle of the street or in that curbs no leaves, no nothing.

COUNCILMAN FONTE: I'll come and take a look.

SAM BRENTON: I got to call people I talked with Eric so I'll give it to you.

COUNCILMAN FONTE: Okay.

COUNCILMAN FOLTZ: Thanks Sam. Mike, while we're here I know Sam's brought up Wilshire have we had a chance to schedule any of the crews yet for cutting along Everhard? The brush back against the wall?

DIRECTOR GRIMES: No, I just asked Mr. Davis to check today because we were going to send those folks letters and let them cut their debris first and then if not and we don't do as a good job we'll go out and wrack it. Correct, yeah there's two down there that...

COUNCILMAN FOLTZ: Over that big wall? (Yeah) Okay, but I still think we need to let the property owners do it or not along Ambler and Westfield clear that back. (Yes) The school buses that is a dangerous situation. So...

COUNCIL PRESIDENT PETERS: Okay, Miriam?

MIRIAM BAUCHMAN: 320 Weber Avenue NE. Tonight I want to talk about the rules of council. And everybody has a handout. If you look at the very top that I have circled you'll see that these rules were amended in May of '13 by our current law director. It's an ordinance so it was all voted on by the current council members. Chapter 111.01 says Council of the City of North Canton, Ohio shall meet on the second and fourth Monday of each month. Now if you go down to #9 it says the date and/or time of a council meeting maybe changed or cancelled by a favorable vote of the majority of those members present at a prior council or upon the written request of four members of council. Tonight is the first Monday of the month and I did not see any evidence that was voted on to change this meeting or there was a written request to change it. I also think that this should be tonight's since it's not the regular meeting night a special council meeting. Which it is not. If you're going to make rules you need to follow the rules. And if you're thinking of going to two meetings a month I would hope that you would schedule the meetings according to the rules of council. Thank you.

COUNCIL PRESIDENT PETERS: Thank you, Miriam. Is there anyone else wishing to address council at this time please step forward? Okay, seeing none we'll move onto to old business. May I have a motion and a second to read by title only the third reading of Resolution No. 72 – 2014?

COUNCILMAN CERRETA: So moved.

COUNCILWOMAN KIESLING: Second.

Roll call vote of 7 yes to read by title only Resolution No. 72 - 2014.

8. Old Business

9. Resolution No. 72 – 2014

Personnel and Safety Committee

A resolution authorizing the Mayor of the City of North Canton to enter into a Memorandum of Understanding (MOU) by and between the City of North Canton Police Department and the University of Akron Research Foundation to join and be a participating member of the Stark County OVI Task Force, and declaring the same to be an emergency.

COUNCIL PRESIDENT PETERS: Yes, thank you. Just as it reads and Chief Wilder is here tonight if anyone has any last minute questions before we enter into this. This will be our fourth year I believe chief? (Yes, sir) If there are no questions I'll accept a motion and a second to adopt the third reading of Resolution No. 72 – 2014.

COUNCILMAN CERRETA: So moved.

COUNCILWOMAN WERREN: Second.

Roll call vote of 7 yes for the adoption of the third reading.

RESOLUTION NO. 72 – 2014 WAS PASSED BY A ROLL CALL VOTE OF 7 YES.

COUNCIL PRESIDENT PETERS: Thank you, may I have a motion and a second to read by title only the second reading of Ordinance No. 77 – 2014?

COUNCILWOMAN KIESLING: So moved.

COUNCILMAN CERRETA: Second.

Roll call vote of 7 yes to read by title only Ordinance No. 77 - 2014.

10. Ordinance No. 77 – 2014 Ordinance, Rules and Claims Committee

An ordinance authorizing the Mayor of the City of North Canton, through the Board of Control, to enter into a contract by and between the City of North Canton and the Stark County Public Defender's Office for the purpose of providing legal counsel to indigent North Canton persons in Canton Municipal Court for a period of one year commencing January 1, 2015 and ending December 31, 2015.

COUNCIL PRESIDENT PETERS: Thank you, Chairwoman Werren?

COUNCILWOMAN WERREN: This is just a contract that we've done over the years providing indigent persons with a public defender representation. And it's the second reading I move that we move it to the third reading.

COUNCILMAN CERRETA: Second.

Roll call vote of 7 yes for the adoption of the second reading.

ORDINANCE No. 77 – 2014 WAS GIVEN SECOND READING.

COUNCIL PRESIDENT PETERS: Thank you very much on to new business. May I have a motion and a second to read by title only the first reading of Ordinance No. 80 – 2014?

COUNCILMAN CERRETA: So moved.

COUNCILMAN GRIFFITH: Second.

Roll call vote of 7 yes to read by title only Ordinance No. 80 - 2014.

11. New Business

12. Ordinance No. 80 – 2014 Personnel and Safety Committee

An ordinance amending Chapter 155 Personnel Regulations of Part One-Administrative Code of the Codified Ordinances of the City of North Canton, as amended, specifically Section 4, LONGEVITY, to reduce Longevity from an annual payment of \$70.00 for each year of full-time City employment to a one-time payment of \$35.00 for each year of full-time City employment, and discontinuing Longevity payments as of December 31, 2014.

COUNCIL PRESIDENT PETERS: Yes, thank you and it's exactly how it reads and to add that we anyone that was hired after I can't remember I'm not sure exactly what the date was no longer qualifies for longevity.

COUNCILMAN FOLTZ: 2006.

COUNCIL PRESIDENT PETERS: Is it 2006?

LAW DIRECTOR FOX: It actually ends on for the bargaining units some were 2011, some were 2006 but it still has that...

COUNCIL PRESIDENT PETERS: Right, yep, so this isn't our foray into this. So if there's no comments I'll entertain a motion and a second to adopt the first reading of Ordinance No. 80 – 2014.

COUNCILWOMAN WERREN: Second.

ORDINANCE NO. 80 – 2014 WAS GIVEN FIRST READING.

COUNCIL PRESIDENT PETERS: Thank you. May I have a motion and a second to read by title only the first reading of Ordinance No. 81 – 2014?

COUNCILWOMAN WERREN: So moved.

COUNCILMAN GRIFFITH: Second.

Roll call vote of 7 yes to read by title only Ordinance No. 81 - 2014.

13. Ordinance No. 81 – 2014 Street and Alley Committee

An ordinance authorizing the vacation of a portion of McKinley Avenue SE, from the south line of East Maple Street southerly to Lot No. 6989, located within the corporate limits of the City of North Canton.

COUNCIL PRESIDENT PETERS: Thank you, Chairman Fonte?

COUNCILMAN FONTE: This is what we've been talking about for quite a long while YMCA and Maple Street Commerce that small piece on McKinley that we've been talking about. We had a public hearing and we didn't have any objections to it. It's a good thing for the city it won't cost the city any money to maintain it. So I move that approve the first reading.

LAW DIRECTOR FOX: Okay, just so you recall it's been a couple of weeks but I'll give you the standards again and what you're doing is simply giving your seal of approval from what the planning commission has already reviewed and approved. And your standard in this is looking at whether or not the city still needs that portion of the street which essentially is the entranceway or really it's that parking lot for the YMCA and Maple Street Commerce. Whether or not vacating that portion would be detrimental to the city and whether or not there's good cause showing for turning that over to Maple Street Commerce and the YMCA who entered into an agreement between themselves of how they're going to maintain that portion of the alley.

COUNCIL PRESIDENT PETERS: Okay, we have a motion is there a second?

COUNCILWOMAN KIESLING: Second.

Roll call vote of 7 yes to adopt the first reading of Ordinance No. 81 – 2014.

ORDINANCE NO. 81 – 2014 WAS GIVEN FIRST READING.

14. Reports – Council:

COUNCIL PRESIDENT PETERS: Thank you. Reports, Member Fonte?

COUNCILMAN FONTE: Nothing really new to report today.

COUNCIL PRESIDENT PETERS: Very good. Member Werren?

COUNCILWOMAN WERREN: No report.

COUNCIL PRESIDENT PETERS: Member Kiesling?

COUNCILWOMAN KIESLING: No report.

COUNCIL PRESIDENT PETERS: Member Griffith?

COUNCILMAN GRIFFITH: No report.

COUNCIL PRESIDENT PETERS: Really?

COUNCILMAN GRIFFITH: I can come up with something.

COUNCIL PRESIDENT PETERS: Nah, that's fine, you're good. Member Cerreta?

COUNCILMAN CERRETA: A couple things East Maple's coming along there and in the next week or two roughly about 30 trees will be planted. And we're waiting for the two big ones at the end to be kind of worked around. But along with that and these will be donated by Dr. Mike Thomas by the way he's a dentist in the area. And the guy that took over Parkfell Garden Center and I think its Rock Hill Landscaping now he's kind of devoted a lot of his time and energy to it. He's given a price that's you know he's a North Canton guy he lives here in town. So that's just another example of you know how the citizens can help us

out. Also we're getting the bids to the islands IRG. You'll see the wide part that separate different areas of the parking lot and they have trees. Well we presented to IRG to put some trees in their islands and they're looking at that. So that would kind of give more depth to the area and not look like such a sea of cars in the future there too. So they seem to be looking at that and they seem to be very responsive to that. And so we're looking forward to that going and of course the front lawn of course has been cut of the Hoover Company. And progress is moving forward with that and outside of that I've got no more report just wanted to update you on that. Now I have some information about Christmas tree stuff here as we move forward.

COUNCIL PRESIDENT PETERS: Okay, Member Foltz?

COUNCILMAN FOLTZ: Well for Jim Benekos the study where are we at or Mike or the Mayor where are we at with the study of traffic flow out here? For the intersection there at Ream and West Maple?

ENGINEER BENEKOS: The study's been done we applied for funding and coincidentally I was at the SCATs meeting and I didn't think we were going to get funded for it but the funding request went to the state my understanding is we will get funded for West Maple to widen it for three lanes from Main to Ream. Does not require removing either of the buildings the old engineering building or Hampton Plumbing.

COUNCILMAN FOLTZ: Did we receive a copy of that or did I miss that?

ENGINEER BENEKOS: The study? (Yeah) No, you didn't receive a copy of that.

COUNCILMAN FOLTZ: Okay, because I'd like to get one see what all entities were in there interactive with that. You know did it include the library and the bank and the Y...

ENGINEER BENEKOS: Oh you mean on Ream itself?

COUNCILMAN FOLTZ: On Ream we're they included in the study?

ENGINEER BENEKOS: I believe we did look at I'll have to grab that study.

COUNCILMAN FOLTZ: Okay, I would appreciate a copy of that. I wasn't sure if that was done yet? Unless Jeff were you aware of that? (No) Okay...

COUNCILMAN FONTE: Are you guys taking out the road I mean to widen that where's it coming from on the house side or on the business side or what?

ENGINEER BENEKOS: The widening of West Maple will go from Main to Ream it will come from the parking lot side the portion that the church owns and a portion of Tom Kolp owns. It will add a third lane from Main Street back to Ream.

COUNCILMAN FOLTZ: Okay, so there'll still be a stop sign coming up back behind Ream if you're traveling down Portage going one way to Ream you'll take a right or go south and then you'll hit a stop sign but there'll be three lanes as you near the intersection of...

ENGINEER BENEKOS: They looked at putting a signal at Ream but it didn't warrant.

COUNCILMAN FOLTZ: Okay, then I concur with Ms. Baughman here I think we have an ordinance if we're going we should follow it. If we're going to change the meetings vote to do that I think this is kind of a different meeting to have on the first Monday. I'm not I'm just calling it as I see it you know we have rules and regulations I think we should abide by them. I think that and my other comments were to Chuck's point I was wondering when the study was done and completed and that we were looking for funding there. So I'm happy that we're going to get funding to help solve it I just wish I was I would have been more involved with that process. Cause I really wanted to look at some of issues that I think that had created a green corridor and even have a campus area there. Because we are going to be looking at a lot of activity across the street I think we owe it to our residents and people visiting our city to make sure that we have good parking patterns and traffic flow patterns. Okay, that's it. Thank you.

COUNCIL PRESIDENT PETERS: Alright, Director of Law?

15. Reports:

LAW DIRECTOR FOX: No report.

COUNCIL PRESIDENT PETERS: Finance?

FINANCE DIRECTOR ALGER: Yes, I have a couple. Just to let you know I just received today at 5:00pm from the Huntington Insurance our third party consultant that review and analysis of our proposal for 2014, 2015 health plan so I'm going to ask President of Council to maybe have him come over and do some just a presentation answer some of your questions. And it does look like we only have one that did the bid, he solicited to 15 different firms but only one came in. And looking at our and I want to bring this out because it was announced something about our self-insurance fund in two folds with that I have to say is that I as being the finance director have to take a conservative and cautious forecast you know so maybe ours is a little different like we mentioned there is a difference on projections. But this is why in one thing that here it says in comparing to 2014 year to date expenses to the previous years net expenses have increased to their highest levels since 2009. And the year

2014 the cost is 16.9% above 2013. We're looking at in 2015 a projection of 22.7% increase in administrative fees and stock loss. Those are factors that I want you to understand that why I have to do a projection of higher. The other thing that I wanted to bring up was you might have seen back there we had a resolution from the Ohio Deferred Compensation given to the City of North Canton and the consistency support of encouraging employees in an effort to save for retirements for the Ohio Deferred Compensation we had increase 233% in enrollment and 12% in active participation and they came and did a presentation to us. And I just wanted to bring that to your attention. And I wanted to thank Councilman Griffith and the Mayor for the all the support that we had for the presentation on the forecast and throughout.

COUNCIL PRESIDENT PETERS: Thank you, Director of Administration?

DIRECTOR GRIMES: Just a follow up on hers we were sixth in the state so you know we'll try harder but we were number six. Yvonne Hanna used to be our senior director for a senior program she fell ill this past summer and passed away. And in looking at that we have a in spirit of collaboration we did get with the YMCA here because they're into that and they have the instructors and Mr. Wheeler and I are coming up with them probably assisting running our program here. Because they have the people to do that so it's not going to cost us anymore it's not going to cost any less. But Mr. Davis has been working with Mr. Wheeler on that to keep that program going and using their staff to do it. So we're looking at that. You're going to hear some rumors about the post office in North Canton with the council president allowed them to come to us on the 17th they're going to have somebody here from Chicago to answer any questions and let us know what they're doing up there on North Main Street. And on the audit report when we get it back from them on Wednesday we'll post it on our website under the finance section. So it will be publicly available there too. Thank sir.

COUNCIL PRESIDENT PETERS: Mayor?

MAYOR HELD: Yes, first up I'd like to thank council for approving the expenditure for the state auditor to come in. I think it was money that was well spent and I think it really does give us a pretty good idea as to where the city you know what we can look at financially in the next 3 to 5 years. And also Karen very nice job with the fact that you're aligned with the state auditor's which is a good thing too. Also the trees Councilman Cerreta has put in a lot time in to the project over at the Hoover reconstruction and 36 trees are going to be planted this week along Maple Street. And that's due to Councilman Cerreta working with Dr. Mike Thomas who is donating at no cost to the city all of those trees. So that is really exciting its good news unfortunately we did have to take down trees to expand the parking lot which impacted the residents over on Fairview. But again our commitment is in the next 12 months to plant at least 100 new trees throughout the city. And so we're working on a plan to identify locations that we can do that. And often times there's a number of people such as Dr. Mike Thomas that have a desire to see trees go up and again he was willing to donate those and it was a matter of coordinating with the city which Mark headed up and did a great job with that. So we appreciate the time he took to do that because it's a lot of there's a lot work that goes into that. There's a lot of extra time, a lot of hours and so I appreciate you doing that. And also Councilman Foltz the study and any members of council when Jim Benekos forwards that study onto you if there's questions, concerns, things that you'd like addressed that weren't addressed in the study or something that you don't like or is an area of concern that's why we do these things. It doesn't mean just because it's been studied and there's a recommendation that's what we go with. It may generate additional ideas or concerns that you have but we just want to make sure that before we make any changes that you know it's the direction of the council and the administration want to go through collectively. And the only other item is just a reminder that we do have our leaf bags that are available down at Mohler Lumber. And I went down and picked up 25 bags which all of our residents can do if you bring an ID or a water bill and fill them up along the curbside. We want them in the bags paper bags not in the street, not in the curb right? Because it's not intended for the residents to blow the leaves in the street because then it clogs the storm sewer. So just a little reminder.

COUNCIL PRESIDENT PETERS: Mayor, how long do we what's the deadline when are they are going to stop distributing those bags?

DIRECTOR GRIMES: The 14th.

COUNCIL PRESIDENT PETERS: 14th. Engineer?

ENGINEER BENEKOS: No report.

COUNCIL PRESIDENT PETERS: Council Clerk?

COUNCIL CLERK BAILEY: I don't have a report tonight.

16. Final Call for New Business:

COUNCIL PRESIDENT PETERS: Alright final call for new business.

17. Adjourn:

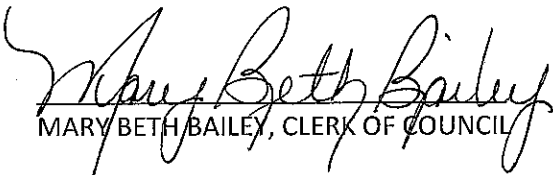
COUNCIL PRESIDENT PETERS: If there is none I will entertain a motion to adjourn.

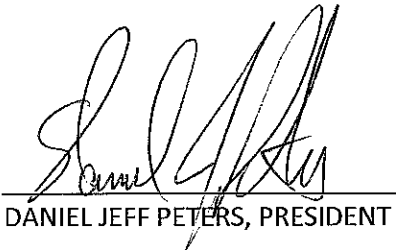
COUNCILWOMAN KIESLING: So moved.

COUNCILMAN CERRETA: Second.

Roll call vote of 7 yes to adjourn.

COUNCIL PRESIDENT PETERS: We are adjourned.


MARY BETH BAILEY, CLERK OF COUNCIL


DANIEL JEFF PETERS, PRESIDENT